

## § 1.6015-9

### § 1.6015-9 Effective date.

Sections 1.6015-0 through 1.6015-9 are applicable for all elections under § 1.6015-2 or 1.6015-3 or any requests for relief under § 1.6015-4 filed on or after July 18, 2002.

[T.D. 9003, 67 FR 47285, July 18, 2002]

### § 1.6016-1 Declarations of estimated income tax by corporations.

(a) *Requirement.* For taxable years ending on or after December 31, 1955, a declaration of estimated tax shall be made by every corporation (including unincorporated business enterprises electing to be taxed as domestic corporations under section 1361), which is subject to taxation under section 11 or 1201(a), or subchapter L, chapter 1 of the Code (relating to insurance companies), if its income tax under such sections or such subchapter L for the taxable year can reasonably be expected to exceed the sum of \$100,000 plus the amount of any estimated credits allowable under section 32 (relating to tax withheld at source on nonresident aliens and foreign corporations and on tax-free covenant bonds), section 33 (relating to taxes of foreign countries and possessions of the United States), and section 38 (relating to investment in certain depreciable property).

(b) *Definition of estimated tax.* The term “estimated tax”, in the case of a corporation, means the excess of the amount which such corporation estimates as its income tax liability for the taxable year under section 11 or 1201(a), or subchapter L, chapter 1 of the Code, over the sum of \$100,000 and any estimated credits under sections 32, 33, and 38. However, for the rule with respect to the limitation upon the \$100,000 exemption for members of certain electing affiliated groups, see section 243(b)(3)(C)(v) and the regulations thereunder.

(c) *Examples.* The application of this section may be illustrated by the following examples:

*Example 1.* M, a corporation subject to tax under section 11, reasonably anticipates that it will have taxable income of \$224,000 for the calendar year 1964. The normal tax and surtax result in an expected liability of \$105,000. M determines that it will not have any allowable credits under sections 32, 33, and 38 for 1964. Since M's expected tax (\$105,000) ex-

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ceeds the exemption (\$100,000), a declaration of estimated tax is required to be filed, reporting an estimated tax of \$5,000 (\$105,000 - \$100,000) for the calendar year 1964.

*Example 2.* Under the facts stated in example (1), except that M estimates it will have an allowable foreign tax credit under section 33 in the amount of \$4,000 and an allowable investment credit under section 38 in the amount of \$3,000, no declaration is required, since M's expected tax (\$105,000) does not exceed the \$100,000 plus the allowable credits totaling \$7,000.

[T.D. 6768, 29 FR 14921, Nov. 4, 1964]

### § 1.6016-2 Contents of declaration of estimated tax.

(a) *In general.* The declaration of estimated tax by a corporation shall be made on Form 1120-ES. For the purpose of making the declaration, the estimated tax should be based upon the amount of gross income which the taxpayer can reasonably be expected to receive or accrue as the case may be, depending upon the method of accounting upon the basis of which the taxable income is computed, and the amount of the estimated allowable deductions and credits to be taken into account. Such amounts of gross income, deductions, and credits should be determined upon the basis of facts and circumstances existing as at the time prescribed for the filing of the declaration as well as those reasonably to be anticipated for the taxable year.

(b) *Use of prescribed form.* Copies of Form 1120-ES will so far as possible be furnished taxpayers by district directors. A taxpayer will not be excused from making a declaration, however, by the fact that no form has been furnished. Taxpayers not supplied with the proper form should make application therefor to the district director in ample time to have their declarations prepared, verified, and filed with the district director on or before the date prescribed for filing the declaration. If the prescribed form is not available a statement disclosing the estimated income tax after the exemption and the credits, if any, should be filed as a tentative declaration within the prescribed time, accompanied by the payment of the required installment. Such tentative declaration should be supplemented, without unnecessary delay, by a declaration made on the proper form.